

Businessmen dismayed by power tariff hike

KARACHI: Businessmen have expressed annoyance over the electricity price hike, saying they are just recovering from the Covid-19 crisis.

Karachi Chamber of Commerce and Industry (KCCI) President Agha Shahab Ahmed Khan said the announcement of increase in rates of electricity, ranging from Rs1.09 to Rs2.80 per unit, had come as a shock to the industries based in Karachi.

"This is yet another blow to the trade and industry, which is already suffering losses as a result of lockdowns during the Covid-19 outbreak and again due to the devastating rainfall in the city, which has caused losses of billions of rupees," he said.

The KCCI president said they rejected the Economic Coordination Committee's (ECC) decision to increase the rates of electricity for various consumers of Karachi, who were in dire financial straits due to torrential rains and before that the pandemic.

Umair Petrochemicals CEO Mohammad Ibrahim Kasumbi urged Adviser to Prime Minister on Finance and Revenue Dr Abdul Hafeez Shaikh to immediately withdraw the hike in electricity tariff, which would increase the hardship for Karachi residents, who were struggling to recover from the devastating impact of the virus and the heavy downpour.

"The damage will be assessed when water is cleared and some normalcy is restored," he added.

The ECC had already imposed a tariff increase of Rs2.89 per unit in July this year with immediate effect, Kasumbi said. Before the industrial, commercial and residential consumers could absorb that tariff hike, yet another increase was approved to further squeeze the consumers in the calamity-hit city. The KCCI president pointed out that on the one hand, the government had been pushing the business and industrial community to enhance its productivity and exports, while on the other it raised the power tariff.

"The economy and businesses will only flourish when the cost of doing business is brought down by substantially reducing electricity, gas and water tariffs while all other exorbitant taxes and duties must also be reduced."